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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/698,640	10/27/2000	Jeffrey S. Marks	IMS 06-05	4914
43785	7590	07/07/2009		
JAS IP CONSULTING 309 2nd STREET SUITE 8 LOS ALTOS, CA 94022			EXAMINER MAGUIRE, LINDSAY M	
			ART UNIT 3692	PAPER NUMBER
			NOTIFICATION DATE 07/07/2009	DELIVERY MODE ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

admin@jasipe.com

Office Action Summary

Application No.

09/698,640

Applicant(s)

MARKS, JEFFREY S.

Examiner

LINDSAY M. MAGUIRE

Art Unit

3692

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 May 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4, 8, 9 and 27-29 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4, 8, 9 and 27-29 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/02)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date _____

DETAILED ACTION

This Final office action is in response to the application filed on October 27, 2000, the amendments filed on March 19, 2004, the Request for Continued Examination filed on May 4, 2005, the amendments filed on February 24, 2006, the Request for Continued Examination filed on September 11, 2006, the amendments filed on June 15, 2007, the amendments filed on March 3, 2008, the Request for Continued Examination filed on November 14, 2008, and the amendments filed on May 20, 2009.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-4, 8, 9, and 27-29 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The recitation "an auction server system in which is stored and in which operate instructions for a computer-implemented method" in lines 1-2 of claims 1 and 27 renders the claims indefinite. Specifically, it is unclear how instructions are operated. Instructions can be executed or performed, however they cannot be operated. Appropriate correction is required.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-3, 8, and 27-29 are rejected, insomuch as the claims are best understood given the 35 USC 112 rejections (as advanced above), under 35 U.S.C. 103(a) as being unpatentable over U.S. Pat. No. 6,385,594 (Lebda et al. '594) in view of U.S. Pat. No. 5,940,812 (Tengel et al. '812), and in further view of U.S. Pat. No. 5,966,699 (Zandi '699)

Re Claim 1: Lebda et al. '594 discloses a server system in which is stored and in which operate instructions for a computer-implemented method for an on-line auction of the type wherein a plurality of customers may receive an offer of a product supplied by one of at least two merchants, said product comprising a plurality of program terms (abstract), said method comprising the steps of: acquiring, over a network, customer information from each of said plurality of customers (abstract), and grouping each of said plurality of customers into one or more pools (abstract); providing to said at least two merchants data regarding said, grouped together customers (abstract, column 3, lines 1-24), said data providing access to certain of each said customer's qualifications for participating in said offer, whereby said at least two merchants may independently evaluate the qualifications of each said customer for participating in said offer (column

4, line 25 - column 5, line 5); receiving, over said network, from each of said at least two merchants an offer to provide said product to said plurality of customers (column 6, lines 4-5), each said offer: is made collectively to said, grouped together customers; and provides to each said, grouped together customer an individual offer to participate (column 6, lines 4-5); and a mechanism to notify acceptance and providing notification to said merchant associated with said offer as to which of said ,grouped together customers have accepted said offer (column 6, lines 38-50). Further, Lebda et al. '594 disclose tallying that an offer has been accepted (Figure 1, step 9), although Lebda et al. '594 disclose this step as occurring once, it would've been obvious to one of ordinary skill in the art that if you can perform a step once, you can perform it as many times as needed (see MPEP 2144.04 VI B).

Lebda et al. '594 disclose the system in supra with the exception of customer information including an explicit ranking from most important to said customer to least important to said customer of said Program Terms, the Program Term ranked as most important to said customer being defined as that customer's Preferred Program Term; automatically selecting one of said Program Terms, said customers, grouped together which have indicated as their Preferred Program Term said selected one of said Program Terms; comparing said offers from said at least two merchants, and based on said comparison, selecting as a Preferred Offer one of said offers from said at least two merchants; notifying each said ,grouped together customer individually, over said network, of said Preferred Offer. Tengel et al. '812 disclose customer ranking (column

9, lines 51-54), comparing offers from at least two merchants (abstract) and based on the comparison selecting a preferred offer (Figure 2A), notifying each of the customers individually over the network of said preferred offer (Figure 2B). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Lebda et al. '594, in view of the teachings of Tengel et al. '812, to include a preferred offer and a ranking so as to save the borrower time.

Further, while Lebda et al. '594 does not disclose providing each said grouped together customer a finite period of time within which said Preferred Offer may be accepted and using an auction server, Zandi '699 does disclose that customers have a predetermined amount of time during which to accept a bid and using an auction (abstract) and that the auction is run on a computer server (column 2, lines 32-40). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Lebda et al. '594, in view of the teachings of Zandi '699, to include a finite amount of time to accept an offer and use an auction server, for the basic reason of allowing the loan company to maintain current offers according to current market conditions.

Re Claim 2: Lebda et al. '594/Tengel et al. '812/Zandi '699 disclose the system in supra, including that said grouping step includes further grouping of said customers via characteristic pooling, using characteristics specific to the customers in accordance

with a Program Term associated with a said characteristics of said customers (Lebda et al. '594: column 3, lines 1-24; column 4, lines 20-32).

Re Claim 3: Lebda et al. '594/Tengel et al. '812/Zandi '699 disclose the system in supra, including that said grouping step includes further grouping of said customers via commitment pooling associated with the customers' level of commitment to accept the bid from one of said at least two merchants (Tengel et al. '812: column 6, lines 46-61).

Re Claim 8: Lebda et al. '594/Tengel et al. '812/Zandi '699 disclose the system in supra, including that said level of commitment is determined by a prior affirmative commitment by said customers to purchase said product in accordance with said preferred offer (Tengel et al. '812: column 6, lines 46-61).

Re Claim 27: Lebda et al. '594 disclose a computer-implemented method for an on-line auction of the type wherein a plurality of customers may receive an offer for a product supplied by one of at least two merchants, said product comprising a plurality of program terms, said method comprising the steps of: acquiring, over a network, customer information from each of said plurality of customers (abstract), grouping said plurality of customers into pools (abstract, column 3, lines 1-24); providing to said at least two merchants data regarding said grouped together customers (abstract), said data providing access to certain of each said customer's qualifications for participating

in said offer, whereby said at least two merchants may independently evaluate the qualifications of each said customer for participating in said offer (column 4, line 25 – column 5, line 5); receiving, over said network, from each of said at least two merchants an offer to provide said product to said plurality of customers (column 6, lines 4-5), is made collectively to said customers in said combined pool (column 6, lines 4-5); and provides to each of said customers in said combined pool an individual offer to participate (column 6, lines 4-5); a mechanism for indicating acceptance providing notification to said merchant associated with said offer as to which of said customers in said combined pool have accepted said offer in the provided period of time (column 6, lines 38-50). Further, Lebda et al. '594 disclose tallying that an offer has been accepted (Figure 1, step 9), although Lebda et al. '594 disclose this step as occurring once, it would've been obvious to one of ordinary skill in the art that if you can perform a step once, you can perform it as many times as needed (see MPEP 2144.04 VI B).

Lebda et al. '594 disclose the server system in which is stored and in which operate instructions for a computer-implemented method substantially as claimed with the exception of including said customer information including an explicit ranking from most important to said customer to least important to said customer of said Program Terms, the Program Term ranked as most important to said customer being defined as that customer's Preferred Program Term; automatically selecting a first one of said Program Terms and grouping together into a first pool those of said plurality of customers who have indicated as their Preferred Program Term said selected first one

of said Program Terms; dividing said first one of said Program Terms into a number of First Program Term Bid Units; determining a unit value for each First Program Term Bid Units; automatically selecting a second one of said Program Terms and grouping together into a second pool those of said plurality of customers who have indicated as their Preferred Program Term said selected second one of said Program Terms; dividing said second one of said Program Terms into a number of Second Program Term Bid Units such that a determined unit value for each Second Program Term Bid Unit is the same as the unit value for each First Program Term Bid Unit; forming a Term Ratio as the ratio of the number of First Program Term Bid Units to the number of Second Program Term Bid Units; combining said first and second pools into a combined pool; creating a Term Ratio Offer comprising said first one of said Program Terms and, using said Term Ratio to value said second one of said Program Terms as a function of a value of said first one of said Program Terms, alternatively said second one of said Program Terms; including at least said Term Ratio Offer, each said offer: comparing said offers, and based on said comparison, selecting as a Preferred Offer one of said offers from said at least two merchants; individually notifying each of said customers in said combined pool, over said network, of said Preferred Offer. Tengel et al. '812 disclose customer ranking (column 9, lines 51-54), comparing offers from at least two merchants (abstract) and based on the comparison selecting a preferred offer (Figure 2A), notifying each of the customers individually over the network of said preferred offer (Figure 2B); and term ratios (column 6, lines 46-61). Further, while Lebda et al. '594 does not disclose making two separate pools of qualifications and combining them, it

would have been obvious to one of ordinary skill in the art that this would be equivalent to making one pool that has multiple separate requirements to join. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Lebda et al. '594, in view of the teachings of Tengel et al. '812, to include a preferred offer and a ranking so as to save the borrower time.

Further, while Lebda et al. '594 does not disclose providing each said grouped together customer a finite period of time within which said Preferred Offer may be accepted and using an auction server, Zandi '699 does disclose that customers have a predetermined amount of time during which to accept a bid and using an auction (abstract) and that the auction is run on a computer server (column 2, lines 32-40). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Lebda et al. '594, in view of the teachings of Zandi '699, to include a finite amount of time to accept an offer and using an auction server, for the basic reason of allowing the loan company to maintain current offers according to current market conditions.

Re Claim 28: Lebda et al. '594/Tengel et al. '812/Zandi '699 disclose the system in supra, including that the steps of: determining an equating factor which equates the values of the First and Second Program Term Bid Units of a first of said merchants to the First and Second Program Term Bid Units of a second of said merchants, respectively, to thereby provide an Equating Ratio between the First and Second

Program Term Bid Units of said first of said merchants to the First and Second Program Term Bid Units of said second of said merchants, respectively; and using said Equating Ratio to compare an offer of said product from said first of said at least two merchants to an offer of said product from said second of said at least two merchants (Tengel et al. '812: column 6, lines 46-61).

Re Claim 29: Lebda et al. '594/Tengel et al. '812/Zandi '699 disclose the system, in supra, including that the steps of: determining a normalizing function for normalizing the values of the First and Second Program Term Bid Units of a first of said merchants and the First and Second Program Term Bid Units of a second of said merchants, respectively; and converting offers from said first and second of said at least two merchants into normalized offers, respectively, using said normalizing function (Tengel et al. '812: column 6, lines 46-61).

Claims 4 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lebda et al. '594/Tengel et al. '812/Zandi '699 as applied to claims 1-3, 8, and 27-29 above, and further in view of U.S. Pat. No. 6,260,024 (Shkedy '024).

Re Claim 4: Lebda et al. '594/Tengel et al. '812/Zandi '699 disclose the system in supra, with the exception of including that potential customers are grouped into ghost pools, and wherein said at least two merchants bid on said ghost pools to obtain the right to offer said product to a previously agreed upon number of said potential

customers. Shkedy '024 discloses that potential customers are grouped together into ghost pools, and that at least two merchants bid on said ghost pools to obtain the right to offer said product to a previously agreed upon number of said potential customers (column 7, lines 26-42).

Re Claim 9: Lebda et al. '594/Tengel et al. '812/Zandi '699/Shkedy '024 disclose the system in supra with the exception of including that said ghost pool comprises all customers indicating an interest in participating in said offer during a particular time frame. However, this step would have been obvious to anyone skilled in the art as part of the negotiated terms of the supply contract (column 7, lines 26-29), if no time frame were presented as part of this deal, the supply contract would essentially be a quasi-life contract and would stifle the process that the method seeks to establish. While the method mentions beating the "published" price of competitors, an even lower price could be established through the auction process. While a pre-arranged contract has its place, setting a limit in terms of time frame would be obvious as a means to encourage future price competition among vendors.

Response to Arguments

Applicant's arguments filed May 20, 2009 have been fully considered but they are not persuasive.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986). Specifically, while Lebda et al. '594 and Tengel et al. '812 do not disclose an auction server, Zandi '699 does (abstract & column 2, lines 32-40). Therefore the references are considered to fully meet the aforementioned recitations.

Applicant's arguments that Lebda has a singular customer focus throughout the reference, are acknowledged, however the examiner is of another opinion. Specifically, Lebda et al. '594 discloses "borrowers" and "applications" (abstract), both words imply that there are a plurality of users within the system. Therefore, Lebda et al. '594 is considered to fully meet the aforementioned limitations.

Regarding Applicant's arguments that Tengel does not teach a Program Term or customer ranking, the examiner is of another opinion. Specifically, Tengel et al. '812 disclose, "loan origination system accepts and stores into a database borrower attributes entered by a potential borrower requesting a loan," and "The loan origination system compares the borrower attributes of the potential borrower with all of the loan acceptance criteria stored in the database to determine any available loans for the potential borrower. The loan attributes of the available loans are analyzed to determine rankings of best loans" (abstract). Therefore, it is clear that Tengel et al. '812 disclose

both program terms (e.g. attributes) and rankings, and that the attributes (program terms) are also provided to the merchant (e.g. lender).

Applicant's arguments that both Zandi and Tengel disclose elements of the claims in an incorrect order, and therefore fail to anticipate the claimed language, are acknowledged. However, it is old and well known in the art that the order in which steps are performed can be reordered in a plurality of different ways in order to perform the designated task (see MPEP 2144.04 IV C). Therefore, both Zandi '699 and Tengel et al. '812 are considered to fully meet the limitations of the claims.

In response to applicant's argument that Shkedy does not teach a preferred program term or a ranking, the test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981). Further Shkedy '024 teaches ghost pools in at least (column 7, lines 26-42).

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to LINDSAY M. MAGUIRE whose telephone number is (571)272-6039. The examiner can normally be reached on M-F: 7-4.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571) 272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3692

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Lindsay M. Maguire

7/1/09

/Lindsay M Maguire/

Examiner, Art Unit 3692

/Kambiz Abdi/

Supervisory Patent Examiner, Art Unit 3692